

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chair*

JOHN W. PARSONS, ESQ., *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES J. GUIDO | RICHARD MACKINNON, JR. | JENNIFER F. SULLIVAN, ESQ.

MEMORANDUM

TO: Malden Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: November 21, 2022

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY23 (since the amount under the prior schedule was maintained in FY23) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.15% to 6.75% and an adjustment to the fully generational mortality assumption. In addition, the schedule reflects an increase in the COLA base from \$14,000 to \$18,000.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

JWP/jfb

P:\actuarial\APPROP\Approp23\malden approval.docx

Enc.



MALDEN RETIREMENT SYSTEM

FUNDING SCHEDULE

Fiscal Year	Normal Cost	Unfunded Liability	Funding		Schedule	
			Amortization of UAAL	Net 3(8)(c) Payments	Contribution*	% Change
2024	4,473,914	79,079,215	12,169,781	483,999	17,127,694	4.10%
2025	4,675,240	71,425,821	12,670,690	483,999	17,829,929	4.10%
2026	4,885,626	62,721,103	13,191,331	483,999	18,560,956	4.10%
2027	5,105,479	52,873,031	13,732,477	483,999	19,321,956	4.10%
2028	5,335,226	41,782,542	14,294,931	483,999	20,114,156	4.10%
2029	5,575,311	29,343,025	14,879,526	483,999	20,938,836	4.10%
2030	5,826,200	15,439,785	15,439,785	483,999	21,749,984	3.87%
2031	6,088,379	-	-	483,999	6,572,378	-69.78%

Amortization of Unfunded Liability as of July 1, 2023

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2023	Fresh Start	N/A	N/A	7	N/A	7

* Contributions are set to be the amount resulting from a 4.10% increase on the prior year's contribution. The contribution in FY2030 increases by 3.87%.